

CHAPTER 1 — STATUTORY AUTHORITY

100 Statutory Authority
101 Program Description

100 Statutory Authority

This manual contains information required by employers to administer the Wisconsin Public Employers Group Life Insurance Program provided for eligible employees under Chapter 40. The information contained in this manual is governed by Chapter 40, Wis. Stats., Wisconsin Administrative Code and the Group Life Insurance Contract. (See Appendices A and B.) Employee information is provided in the *Group Life Insurance Booklet* (ET-2101).

101 Program Description

A. Type of Insurance

The insurance provided is group term life insurance, which builds no cash value. It may not be assigned to anyone (Wis. Stats. § 40.08(1)), but it may be paid out during the lifetime of the insured under certain circumstances. (See Subchapter 305.) The insurance also provides continued coverage upon termination for qualified employees. (See Chapter 16.)

B. Group Insurance Board

Authority for the Group Life Insurance Program is vested in the Group Insurance Board (Wis. Stats. § 15.165(2)). The Board consists of the following 10 members:

1. Governor or designee
2. Attorney General or designee
3. Secretary of the Department of Administration or designee
4. Secretary of Employment Relations or designee
5. Commissioner of Insurance or designee
6. Insured participant who is not a teacher (2-year term)
7. Insured teacher participant of the Wisconsin Retirement System (2-year term)
8. Insured employee of a local unit of government (2-year term)
9. One member appointed without restriction (2-year term)
10. An insured annuitant (2-year term)

C. Department of Employee Trust Funds

The Group Life Insurance Program is administered through the Secretary of the Department of Employee Trust Funds (ETF). The Secretary may authorize a representative or representatives designated by the employer to act for the employer in matters pertaining to the employee trust fund (Wis. Stats. § 40.03(2)(j)). Usually, the employer representative also represents the employer in matters regarding the Wisconsin Retirement System.

D. Insurance Company

At present, the Group Insurance Board contracts with Minnesota Life Insurance Company (MLIC) for this coverage.

E. Sharing of Cost

1. The cost of the Group Life Insurance Basic Plan is shared by the employer and the insured employee. Under the statutory provisions of the Group Life Insurance Program, the employer is required to pay that portion of cost that is not paid through employee contributions.
2. The State and local government employers that choose to do so, also share the cost of Supplemental insurance.
3. The employee's contribution is the rate approved by the Board. For the Basic and Supplemental plans, it may not exceed 60 cents monthly for each \$1,000 of group life insurance (Wis. Stats. §40.05(6)(a)).
4. The employer's share of the cost is reviewed on an annual basis. The amount payable is fixed as a percentage of employee contributions. The percentage is determined by the Board and certified to each employer. The certification occurs only when there are changes in the percentage of contribution (Wis. Stats. § 40.05(6)(e)).
5. Spouse and Dependent, Supplemental, Additional and Age 70 and Over Additional Insurance are optional plans. Unless the employer specifically provides otherwise, the coverage is financed through employee premiums only.